

Remarks on the National Economy and Job Training

May 8, 2009

Good morning, everybody. This morning we learned that our economy lost another 539,000 jobs in the month of April. And while it's somewhat encouraging that this number is lower than it's been in each of the past 6 months, it's still a sobering toll. The unemployment rate is at its highest point in 25 years. It underscores the point that we're still in the midst of a recession that was years in the making and will be months or even years in the unmaking. And we should expect further job losses in the months to come.

Although we have a long way to go before we can put this recession behind us, the gears of our economic engine do appear to slowly—to be slowly turning once again. Consumer spending and home sales are stabilizing; construction spending is up for the first time in 6 months. So step by step, we're beginning to make progress.

Of course, that's no solace to those who've lost their jobs or to the small-business owners whose hearts break at letting long-time employees go. It's no relief for those who continue to send out resume after resume and then wait for a call. And it's of little comfort to the families who wake up wondering how they're going to pay their bills, stay in their homes, or put food on the table, the Americans I've met in towns across this country or whose letters I read every night.

They're letters of struggle, but they're also of service to others. They're stories of heartbreak, but they're also stories of hope. It's the story of the small-business owner in California who wrote that as long as her employees depend on her, "I will not give up." That's what she said. The veteran in Oklahoma who wrote: "We've all got a long way to go, but we'll stick together and get through this." Or the mother in Michigan who wrote that she and her husband can't make ends meet, but as long as they have their jobs, they'll work 24 hours a day to send their children to college. This woman ended her letter by saying: "I'm not writing to tell you about my troubles. I'm writing to please ask you to act quickly to help all the people like me."

Such hard-working Americans are why I ran for President. They're the reason we've been working swiftly and aggressively across all fronts to turn this economy around, to jumpstart spending and hiring and create jobs where we can with steps like the Recovery Act. And because of this plan, cops are still on the beat and teachers are still in the classroom, shovels are breaking ground and cranes dot the sky, and new life has been breathed into private companies like Sharon Arnold's. And already, 95 percent of working Americans are seeing a tax cut that we promised would show up in their paychecks.

We're moving forward because now is not the time for small plans. It's not a time to pause or to be passive or to wait around for our problems to somehow fix themselves. Now is the time to put a new foundation for growth in place, to rebuild our economy, to retrain our workforce, and reequip the American people. And now is the time to change unemployment from a period of wait-and-see to a chance for our workers to train and seek the next opportunity, so when that new and better day does come around, our people, our industry, and our entire country are ready to make the most of it.

Now, if we want to come out of this recession stronger than before, we need to make sure that our workforce is better prepared than ever before. Right now, someone who doesn't have a college degree is more than twice as likely to be unemployed as someone who does. And so many of the Americans who have lost their jobs can't find new ones because they simply don't have the skills and the training they need for the jobs they want.

In a 21st century economy where the most valuable skill you can sell is your knowledge, education is the single best bet we can make, not just for our individual success, but for the success of the Nation as a whole. The average college graduate earns 80 percent more than those who stopped after high school. So if we want to help people not only get back on their feet today but prosper tomorrow, we need to take a rigorous new approach to higher education and technical training. And that starts by changing senseless rules that discourage displaced workers from getting the education and training they need to find and fill the jobs of the future.

So today I'm announcing new steps we are taking to do exactly that, to give people across America who have lost their jobs the chance to go back to school today to get retrained for the jobs and industries of tomorrow. The idea here is to fundamentally change our approach to unemployment in this country so that it's no longer just a time to look for a new job but is also a time to prepare yourself for a better job. That's what our unemployment system should be, not just a safety net, but a stepping stone to a new future. It should offer folks educational opportunities they wouldn't otherwise have, giving them the measurable and differentiated skills they need just—not just to get through hard times, but to get ahead when the economy comes back.

And that's what Maureen Pike did. Maureen lost her job as a physician's receptionist, but she didn't lose hope. She took it as an opportunity to upgrade her skills and earned an associate's degree in nursing from a community college. As a consequence, today, she works as a registered nurse.

The only reason she could afford to do that while supporting her twins was because the State of Maine allowed her to keep her unemployment benefits and study with the help from a Pell grant. Pell grants cover tuition at almost every community college in the country, and unemployment benefits can help those studying to gain new skills to support their families at the same time.

But today, far too many Americans are denied that opportunity. Let me just give you an example. Say an unemployed factory worker wants to upgrade his skills to become a mechanic or a technician. In many States, that worker might lose temporary financial support if he enrolls in a training program. And to make matters worse, unemployment might mean he can't afford higher education, and he likely won't qualify for Federal help simply because he may have made a decent salary a year ago, before he was laid off.

Well, that doesn't make much sense for our economy or our country. So we're going to change it. First, we'll open new doors to higher education and job training programs to recently laid-off workers who are receiving unemployment benefits. And if those displaced workers need help paying for their education, they should get it, and that's why the next step is to make it easier for them to receive Pell grants of the sort that Maureen used.

I've asked my Secretary of Education, Arne Duncan, and my Secretary of Labor, Hilda Solis, to work closely with States and our institutions of higher learning and encourage them not only to allow these changes but to inform all workers receiving unemployment benefits of

the training programs and financial support open to them. And together, the Department of Education and the Department of Labor have created a new web site called opportunity.gov—I'll repeat that, opportunity.gov—to help workers discover and take advantage of these opportunities.

And together, these changes will increase access to education and opportunity for hundreds of thousands of workers who've been stung by this recession, people just like Maureen. And like her, many may take advantage of one of America's underappreciated assets, and that's our community colleges. And these schools offer practical education and technical training, and they're increasingly important centers of learning where Americans can prepare for the jobs of the future.

And that's also why I'm asking Dr. Jill Biden, a community college professor who's devoted her entire life to education—and who happens to be married to the Vice President—to lead a national effort to raise awareness about what we're doing to open the doors to our community colleges.

So I think this is one more piece of the puzzle. It's a good start. It is only a start, though. These steps are just a short-term downpayment on our larger goal of ensuring that all Americans get the skills and education they need to succeed in today's economy. And to that end, I have asked, once again, every American to commit to at least 1 year or more of higher education or career training. It can be community college or a 4-year school, vocational training or an apprenticeship, but whatever the training may be, every American will need to get more than a high school diploma. And we will be backing up that effort with the support necessary. And we will ensure that by 2020, America will once again have the highest proportion of college graduates in the world.

In the weeks to come, I will also lay out a fundamental rethinking of our job training, vocational education, and community college programs. It's time to move beyond the idea that we need several different programs to address several different problems. We need one comprehensive policy that addresses our comprehensive challenges.

And that's how we'll open the doors of opportunity and lay a new foundation for our economic growth, by investing in our citizens. That's how we've always emerged from tough times stronger than before, because of the hard work and determination and ingenuity of the American people. And I am confident that if we summon that spirit once again, we will get through this; we will see our nation recover; and together, along with folks like Maureen and Sharon, we're going to put America on the path to shared and lasting prosperity once again.

Thank you very much everybody. Have a great weekend.

NOTE: The President spoke at 11:38 a.m. in Room 350 of the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Sharon Arnold, president, Scott and Sharon Arnold's Contracting Company, Inc.; and Maureen Pike, registered nurse, Calais Regional Hospital, who introduced the President.

Categories: Addresses and Remarks : Economy, national :: Washington, DC.

Locations: Washington, DC.

Names: Arnold, Sharon; Biden, Jill; Duncan, Arne; Pike, Maureen; Solis, Hilda L.

Subjects: Economy, national : American Recovery and Reinvestment Act of 2009; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Education : Global competitiveness ; Education : Postsecondary education :: Career training and continuing education; Education : Postsecondary education :: Community colleges; Education : Postsecondary education :: Pell grants; Education, Department of : Secretary; Employment and unemployment : Job creation and growth; Employment and unemployment : Job losses; Employment and unemployment : Unemployment benefits; Employment and unemployment : Unemployment rate; Labor, Department of : Secretary; Taxation : Tax relief.

DCPD Number: DCPD200900337.